



DEC 10 2012

The Honorable C.L. "Butch" Otter
Governor of Idaho
700 West Jefferson
Second Floor
Boise, Idaho 83702

Dear Governor Otter:

This letter provides approval of Idaho's State Integrated Workforce Plan for Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including W-P Agricultural Outreach Plan, and plans for coordination with Trade Adjustment Assistance (TAA). The Employment and Training Administration (ETA) received the State Plan on September 17, 2012. This letter also responds to Idaho's WIA waiver requests.

Training and Employment Guidance Letter (TEGL) No. 21-11, issued on March 27, 2012, and TEGL No. 21-11, Change 1 issued on August 8, 2012 provide guidance for states to submit their State Workforce Plans and waivers for Program Year (FY) 2012 and beyond. We appreciate the State's responsiveness to this guidance.

Plan Review and Approval

ETA has reviewed the Idaho State Integrated Workforce Plan in accordance with Title I of WIA, the Wagner-Peyser Act, the Trade Act (as amended), the corresponding regulations, the State Integrated Workforce Plan Requirements for Workforce Investment Act Title I/Wagner-Peyser Act and Department of Labor Workforce Programs (<http://www.doleta.gov/usworkforce/wia-planning/docs/integrated-planning-guidance.pdf>), and TEGL No. 21-11 and the corresponding Change 1. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA is approving the WIA Title I, W-P and TAA portions of Idaho's State Plan for the period July 1, 2012 through June 30, 2017, PY 2012-PY 2016. The annual W-P Agricultural Outreach Plan is approved for the period July 1, 2012 through June 30, 2013.

The State is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2017.

Performance Levels

Each year, the Regional Administrator negotiates the Program Year's WIA and W-P performance goals with each state. As required by TEGL Nos. 21-11 and 38-11 dated June 18, 2012, negotiations must be completed by December 31, 2012 for PY 2012. Once the final goals are established, the Regional Administrator's letter advising the State of the PY 2012 WIA and W-P final performance goals constitutes a modification to the State Plan. ETA will incorporate Idaho's final performance goals for PY 2012 into the Regional and National Office copies of the State Integrated Workforce Plan. Please include these final PY 2012 goals in the State's official copy of the State Plan.

Waivers

As part of Idaho's State Integrated Workforce Plan, the State submitted waiver requests for waivers of statutory and regulatory requirements under WIA (copy enclosed). The State's requests for waivers are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver requests is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State requested a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted this waiver through June 30, 2017.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

The State requested a waiver of the requirement for competitive procurement of service providers for three of the ten youth program elements: supportive services, follow-up

services, and work experience. The State is granted this waiver through June 30, 2017. Under this waiver, the State is permitted to allow its One-Stop Career Centers or partner agencies to directly provide the above youth program elements. In utilizing this waiver, the State and local areas must still meet Office of Management and Budget requirements (codified in 29 CFR 95.40-95.48 and 97.36) and all state and local procurement laws and policies.

Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State requested a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted this waiver through June 30, 2017. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training.

The State requested a waiver to permit an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The State is granted this waiver through June 30, 2017. Under the waiver, the following reimbursement amounts will be permitted: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent reimbursement) will continue to apply. When determining the funding source for on-the-job training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local area may provide on-the-job training to individuals over age 18 with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local area may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA regulations at 20 CFR 661.300(f) to allow the State Board to carry out the roles of a Local Board.

The State requested a waiver to permit the state to apply 20 CFR 661.300(f) to the statewide regional planning area described in its State Plan. This provision allows states that operate as a single local workforce investment area to use the state workforce investment board to carry out the requirements of the local workforce investment board. The State is seeking to use its State Board to carry out the roles and responsibilities of the Local Boards in the designated region encompassing the state.

We are granting the waiver through June 30, 2017. Under the waiver, the Governor may designate the State Board to carry out the roles and responsibilities of the Local Boards in the designated region encompassing the state, in the same manner as permitted in single service delivery area states.

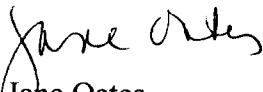
Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The State requested a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted this waiver through June 30, 2017. Under this waiver, the State can use ITAs for older youth and out-of-school youth program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and are incorporated into the State Integrated Workforce Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and with the approved State Plan. In addition, as described in TEGL No. 29-11, the State should address the impact these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your State Integrated Workforce Plan for PY 2012 and beyond. Thank you for adopting the American Job Center brand; we are available to provide technical assistance as needed. If you have any questions related to the issues discussed above, please contact Denise Dombek, the Federal Project Officer for Idaho, at 415-625-7945 or Dombek.Denise@dol.gov.

Sincerely,



Jane Oates
Assistant Secretary

Enclosures

cc: Virginia Hamilton, Regional Administrator, ETA San Francisco Regional Office
Denise Dombek, Federal Project Officer for Idaho



C.L. "BUTCH" OTTER, GOVERNOR
ROGER B. MADSEN, DIRECTOR

September 17, 2012

Ms. Virginia Hamilton
Region VI - Regional Administrator
U.S. Department of Labor/ETA
90 7th St., Suite 17-300
San Francisco, CA 94103-1516

And wia.plan@dol.gov

VIA E-MAIL

RE: PY2012 Idaho WIA/W-P Five-Year State Plan, Waiver Requests and Performance Goals Submission

Dear Ms. Hamilton,

In April 2012, as per state plan submission guidelines listed in Training and Employment Guidance Letter (TEGL) 21-11, the state of Idaho requested a temporary extension of its current state plan, negotiated performance targets and waivers which will expire on September 15, 2012. In continuing to follow the TEGL's direction, the state has placed its Workforce Investment Act/Wagner-Peyser Integrated Strategic Five-Year Plan for PY 2012-2016 on the Idaho Department of Labor's Web site (labor.idaho.gov) at the following url:

<http://labor.idaho.gov/wia1/WIAPlan9-12-12.pdf>

In addition, the state has incorporated its waiver requests as part of the plan submission covering the same planning period. The waivers are listed on pages 95-106 and follow the suggested format for waiver submission also as noted in TEGL 21-11. The waivers the state is requesting are:

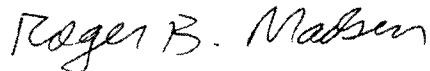
- to extend the period of initial eligibility for WIA training providers
- to use common measures reporting
- to allow the Workforce Development Council to serve as a local board for the statewide planning region
- to exempt the procurement requirement for the follow-up, support services and work experience components, to include internship and summer work experience, and having those services categorized as part of the design framework.
- to exempt the prohibition on using WIA Youth dollars to fund Individual Training Accounts (ITAs) for older youth, and
- to enhance on-the-job training (OJT) opportunities by increasing reimbursement rates up to 90% for participating employers.

The plan also includes the state's agricultural outreach plan and its proposed performance targets for the planning period. As per the TEGL, no changes will be made to the plan posted on this url.

The plan was reviewed approved by the state Workforce Development Council on August 13, 2012 and made available for public review and comment from August 16th through September 4th. The state received no comment to its newly proposed plan. As prescribed in the TEGL, this letter will be forwarded to wia.plan@dol.gov in accordance with the directives for electronic submission of state plans.

If you have any questions regarding the submission of our state's WIA/Wagner-Peyser Integrated Plan for 2012, please feel free to contact Dwight Johnson at Dwight.johnson@labor.idaho.gov or (208) 332-3570, extension 3335.

Sincerely,

A handwritten signature in cursive script that reads "Roger B. Madsen".

Roger B. Madsen
Director

cc: Rosemary Cowan, USDOL Workforce Investment Division Chief
Denise Dombek, USDOL Federal Project Officer
Mark Warbis, Governor's Office

F. Additional WIA Title I Requirements

Not applicable to Idaho – for single-area states only.

G. (Optional) Waiver Requests

States wanting to request waivers as part of their Operational Plan submission must attach a waiver plan, as required by 20 CFR 661.420(c), that includes the following information for each waiver requested:

The state requests that the following waivers be approved for use in the administration of its WIA program through PY 2012. Its request to waive this Workforce Investment Act requirement under the ETA's waiver authority will allow the state flexibility to design and implement workforce strategies to meet unique state needs. These requests were posted on the department's website for public comment as required by regulation.

- 1) To waive the time limit on period of initial eligibility for training providers (20 CFR 663.50)
- 2) To use common measures reporting (WIA Section 136(b))
- 3) To allow the Workforce Development Council to serve as a local board for the statewide planning region (20 CFR 661.300(f))
- 4) To exempt from the competition/procurement for the follow-up, support services and work experience components, to include internship and summer work experience, and having those services categorized as part of the design framework (WIA Section 123, Section 117(h)(4)(B)(i), and 20 CFR Part 664.400)
- 5) To exempt from the prohibition on using WIA youth dollars to fund Individual Training Accounts (ITAs) for youth (WIA Section 129 and 29 CFR 664.510)
- 6) To increase the employer reimbursement rate for On-the-Job Training Participation (WIA Section 101(31)(B) and 20 CFR 663.170)

Because of the magnitude of improvement to the workforce development system and local operations that approval of these waivers would provide, the state seeks to continue implementing these requested waivers with the approval by the U.S. Department of Labor. This request follows the format guidance as outlined in TEGs 26-09 and 21-11 and required elements as noted under CFR 661.420(c).

- A. Statutory and/or regulatory requirements for which a waiver is requested.
- B. A description of the actions the state or local area has undertaken to remove state or local statutory or regulatory barriers.
- C. A description of the goals of the waiver, how those goals relate to Integrated Workforce Plan goals, and expected programmatic outcomes if the waiver is granted.
- D. A description of individuals impacted by the waiver.
- E. A description of the processes used to monitor implementation, provide notice to any local workforce investment board affected by the waiver, provide affected local workforce investment boards an opportunity to comment on the waiver request,

and ensure meaningful public comment, including comment from business and labor.

1) WAIVER ON THE TIME LIMIT ON PERIOD OF INITIAL ELIGIBILITY FOR TRAINING PROVIDERS

A. Statutory regulation to be waived:

The State of Idaho respectfully requests a waiver regarding the Workforce Investment Act's (WIA) time limit on the period of initial eligibility of training providers (20 CFR 663.530), through June 30, 2010.

B. State or local statutory or regulatory barriers:

There are no state or local statutory or regulatory barriers to implementing the requested waiver.

C. Goals to be achieved by the waiver:

Idaho is committed to delivering quality employment and training programs under WIA. However, it is very likely that if the waiver is not approved, the implementation of the subsequent eligibility criteria will prevent providers from participating in WIA and deny the state the ability to continue to provide the broadest range of training options for its WIA participants. With the potential for WIA reauthorization, there is an opportunity to streamline training providers' subsequent eligibility under a "new" WIA.

D. Description of individuals impacted by the waiver:

The state's training providers have expressed strong concerns with the implementation of subsequent eligibility requirements. The concerns include the following:

- a) confidentiality (FERPA compliance),
- b) excessive administrative burden and costs associated with tracking all students,
- c) time delays with UI wage records,
- d) the difficulty in establishing statistically valid processes for adjusting UI wage record data based on economic, geographic, and demographic factors of the local area and characteristics of the population being served, and
- e) establishing a consumer report based on a wage record system that underreports employment rates for training programs.

E. Opportunity for public comment, including the local workforce investment board, business and labor and the process to monitor the implementation of the waiver:

Consistent with the general waiver request, the state is adhering to publication requirements to ensure the broadest participation possible through this process. Opportunities for comment have been continually provided to the public and the

state's Workforce Development Council, which has consistently approved this waiver since the state's initial request in 2001.

Recently, the state Workforce Development Council reviewed and approved this and other waivers on August 13, 2012. The meeting was announced and open to the public. Along with this comment opportunity, this State/Waiver Plan was posted at <http://www.labor.idaho.gov> for public review from August 13 – September 4, 2012. The Idaho Department of Labor has and will continue to monitor the implementation and impact of the waiver and progress toward expected outcomes. State oversight and evaluation will make effective use of these means to identify obstacles and address them.

2) UTILIZATION OF COMMON MEASURES FOR REPORTING

A. Statutory regulation to be waived:

Idaho is requesting renewal of a waiver of sections 136 of WIA and 666 of the final rules (approved originally for PY 2006) to adopt and report on the six common measures in lieu of the existing 17 WIA performance measures for PY 2012, implemented in conjunction with these same measures for the state's Wagner-Peyser, Jobs for Veterans Act and Trade Adjustment Act programs.

B. State or local statutory or regulatory barriers:

There are no state or local statutory or regulatory barriers to implementing the requested waiver.

C. Goals to be achieved by the waiver:

With the shift to the six standards under common measures, Idaho has achieved the following goals:

1. Elimination of duplicative administrative systems which have reduced paperwork and labor costs associated with redundant data collection. One example includes the elimination of the tracking and performance for:
 - i. the credential measure for Adults and Dislocated Worker clients
 - ii. the skill attainment measure for Younger Youth; and
 - iii. enhancement in the integration of the One-Stop System by use of a single measurement system to test performance.
2. Refocused youth investments through the creation of opportunities to better implement the state Workforce Development Council's vision for services to youth in the state, which includes a youth program focused on out-of-school populations with increased accountability for employment and/or increased secondary and postsecondary education outcomes.
3. Cost savings through streamlining. A simplified and streamlined performance measurement system proves more cost effective. With consistent direction,

program resources have been directed to a single set of goals, rather than competing goals and costly processes.

By requesting to continue this waiver to remove Idaho from the original measures, the state avoids a duplication of efforts in reporting and is able to apply its limited resources where they are most needed.

D. Description of individuals impacted by the waiver:

The waiver has the potential to continue to positively impact all customers of the workforce development system in Idaho while providing better accountability, program management and performance.

E. Opportunity for public comment, including the local workforce investment board, business and labor and the process to monitor the implementation of the waiver:

Consistent with the general waiver request, the state is adhering to publication requirements to ensure the broadest participation possible through this process. The original waiver request was approved by the state's Workforce Development Council in May of 2006, with public comments solicited, however none was received.

Recently, the state Workforce Development Council reviewed and approved this and other waivers on August 13, 2012. The meeting was announced and open to the public. Along with this comment opportunity, this State/Waiver Plan was posted at <http://www.labor.idaho.gov> for public review from August 13 – September 4, 2012. The Idaho Department of Labor has and will continue to monitor the implementation and impact of the waiver and progress toward expected outcomes. State oversight and evaluation will make effective use of these means to identify obstacles and address them.

3) STATEWIDE REGIONAL PLANNING AREA – SINGLE STATEWIDE COUNCIL

A. Statutory regulation to be waived:

With this request, the State of Idaho is formally seeking renewal of a waiver to apply 20 CFR 661.300(f) which permits a state board to carry-out the roles of a local board in a single local area to a statewide regional planning area. The state's shift from six regional areas to a single statewide planning area allows the state to address federal strategic priorities and to further reforms envisioned in the Workforce Investment Act. The state's two designated areas entered into a consortium agreement, to function as a single state area under a single regional plan. To maximize resources available for service delivery, the state wishes to continue to use the Workforce Development Council as the local workforce board for this area. This fosters sharing of data and information across regions and ease movement of customers from region to region.

B. State or local statutory or regulatory barriers:

No state or local policies limit the Governor's authority to require a regional plan or utilize the Workforce Development Council as the local workforce board for the Idaho Workforce Consortium.

C. Goals to be achieved by the waiver:

The State will achieve the following goals if the waiver is granted:

- 1) As seen since its initial implementation, the single statewide planning structure has reduced overhead from 14 percent to less than three percent, a reduction of more than \$1.3 million that was previously spent to support the state's original six-region structure. This efficiency has maximized the available money directed to training and services to business and job seekers. The State has set a goal of spending 50 percent of WIA local Adult and Dislocated Worker funds for direct training and support of businesses and participants, positively impacting achievement of performance goals.
- 2) This statewide structure enhances efforts to transform the system into a demand driven system by further integrating economic development activities into the One-Stop system. The 25 Idaho Department of Labor offices across the state serve as the state's One-Stop centers and incorporate the full range of economic and workforce development services in their offerings. This recognizes the importance of sharing data and information about new and expanding businesses to build the economy across regions.
- 3) The One-Stop system has since been enhanced through expansion of the number of *IdahoWorks* One-Stop Centers to twenty-five sites, broadening the reach to Idaho's citizens and business customers in our urban and rural areas. The initial focus of this implementation was to build these centers' capacity to offer a full range of business development services. Subsequent years' goals are to expand One-Stop partners' participation in the One-Stop system to more fully integrate the wider range of services available at the centers.
- 4) This statewide delivery structure provided the Workforce Development Council an opportunity to redesign the state's youth program, taking fuller advantage of opportunities for leveraging funds among organizations serving youth. The Workforce Development has developed a strategic planning process designed to identify gaps and prioritize services to those youth who demonstrate the greatest need.
- 5) The single statewide structure has strengthened administrative oversight and accountability processes. Prior to this change, administrative deficiencies resulted in substantial disallowed costs for Idaho's largest Workforce Investment Area. The strengthened administrative structure, under the waiver, has assisted Idaho to avoid future disallowed costs and will continue to do so, thus further enabling the redirection of funds from service provider and administration to direct participant training and support.

D. Description of individuals impacted by the waiver:

The change to a single statewide regional planning structure, in conjunction with this waiver, allowed for an increase in training opportunities for an additional 500 or more adults, dislocated workers and at-risk youth, and has since permitted the state to maintain these service levels despite occasional funding cuts throughout the years.

E. Opportunity for public comment, including the local workforce investment board, business and labor and the process to monitor the implementation of the waiver:

Consistent with the general waiver request, the state is adhering to publication requirements to ensure the broadest participation possible through this process. Originally this waiver was announced to the general public as part of the PY05 plan review process which included a process for soliciting review and comment during a three-week period and review by the state's Workforce Development Council, which included comments from the Local Workforce Investment Boards and their staff.

Recently, the state Workforce Development Council reviewed and approved this and other waivers on August 13, 2012. The meeting was announced and open to the public. Along with this comment opportunity, this State/Waiver Plan was posted at <http://www.labor.idaho.gov> for public review from August 13 – September 4, 2012. The Idaho Department of Labor has and will continue to monitor the implementation and impact of the waiver, as well as progress toward expected outcomes. The State maintains a sophisticated management information and oversight system that tracks progress of financial and participant goals. Progress is reviewed on a quarterly basis to ensure that goals are achieved. The Workforce Development Council advises the state on specific policy changes needed to achieve the priority areas identified above. Additional communication strategies will be devised to ensure that citizens throughout the state are informed of progress and provided an opportunity for input into the state's workforce development system.

4) INCLUDE YOUTH FOLLOW-UP, SUPPORT SERVICES, WORK EXPERIENCES AS FRAMEWORK SERVICES

A. Statutory regulation to be waived:

WIA Section 123, Section 117(h)(4)(B)(i), and 20 C.F.R. Part 664.400 require that eligible providers of youth services be selected by awarding a grant or contract on a competitive basis for youth activities and services.

B. State or local statutory or regulatory barriers:

Idaho has implemented WIA under federal law without any additional legislative or local limitations or requirements. No additional barriers need to be addressed.

C. Goals to be achieved by the waiver:

The goals for the youth program under the waiver are greater effectiveness, efficiency, and continuity of services which results in higher retention rates. This waiver integrates the coordination and provision of these youth activities with the elements of the Youth program design framework delivered through Idaho's One-Stop system and its twenty-five One-Stop Career Centers, increasing customer choice and flexibility in the customer's service strategy with greater access to WIA as well as partner program services accessed through the One-Stop system.

The waiver ensures an efficient, cost-effective delivery system developed at the One-Stop Career Centers by eliminating duplicate processes among training providers for work experiences in the same community. Since those providing framework services better understand where each youth is in relationship to his or her individual service strategy, during program participation, exit or the period for follow-up begins, the waiver also allows for a smoother flow of data, documenting:

- the delivery of youth services; and
- the outcomes that result from youth participation

Common measures reporting improves with this waiver since the framework service provider will best know when a WIA youth participates in partner programs, allowing for better administrative judgment to determine the appropriate time for program completion and influencing the corresponding time period for a positive performance outcome.

A waiver allows for the coordination and provision of these youth activities with the elements of the Youth program design framework delivered through Idaho's One-Stop system and its twenty-five One-Stop Career Centers, all operated by the Idaho Department of Labor. Integration of these services increases customer choice and flexibility in the customer's service strategy with greater access to WIA as well as partner program services accessed through the One-Stop system.

By eliminating duplicate processes among training providers for work experiences in the same community, the waiver ensures an efficient, cost-effective service delivery system. Development of worksites, building relationships with work site supervisors, training staff to monitor sites, and setting up agreements, and processes for payment of youth is very labor intensive. Through this system developed in the One-Stop Career Centers, it is more cost effective and eliminates a duplication of effort when the same, or very similar, services are offered by two or more organizations in the same community.

Authorization for the waiver allows for a smoother flow of data that documents the delivery of youth services, as well as the outcomes that result from youth participation, since the organization that provides the framework services is in a better position to understand where each youth is in relationship to his or her

individual service strategy, when a youth has exited a WIA service or the WIA program, and when the follow-up period begins.

The waiver also supports improved common measures reporting since the framework service provider is in the best position to know when a WIA youth is also participating in another partner program, and therefore make a better administrative judgment as to when program completion will trigger the time period to determine a performance outcome under the new common measures.

The goals for the youth program under the waiver will be greater effectiveness, efficiency, and continuity of services. Local One-Stop Career Centers will provide greater continuity of services for youth, resulting in higher retention rates. The case management relationship with participants is based upon a thorough knowledge of the youth, their employment plan, expected outcomes, and barriers. When this relationship continues, and services are seamlessly accessed, the youth is more likely to follow through with the service strategy in a timely manner, take advantage of available services that lead to positive change, and achieve longer retention after program exit.

D. Description of individuals impacted by the waiver:

The individuals affected by this waiver will be older and younger youth customers, and organizations/agencies who might be interested in RFP opportunities to deliver youth services.

E. Opportunity for public comment, including the local workforce investment board, business and labor and the process to monitor the implementation of the waiver:

Consistent with the general waiver request, the state is adhering to publication requirements to ensure the broadest participation possible through this process. This waiver request was originally developed in response to the recommendations of Idaho's Workforce Development Council Youth subcommittee, working with a number of statewide youth providers to study and re-design WIA youth service delivery. On September 10, 2008, the Council reviewed and approved the subcommittee's re-design recommendations, which included this waiver request and public comments received in response to the press release.

Recently, the state Workforce Development Council reviewed and approved this and other waivers on August 13, 2012. The meeting was announced and open to the public. Along with this comment opportunity, this State/Waiver Plan was posted at <http://www.labor.idaho.gov> for public review from August 13 – September 4, 2012. The Idaho Department of Labor has and will continue to monitor the implementation and impact of the waiver and progress toward expected outcomes. State oversight and evaluation will make effective use of these means to identify obstacles and address them.

5) PROHIBITION ON USE OF YOUTH WIA DOLLARS TO FUND INDIVIDUAL TRAINING ACCOUNTS FOR OLDER YOUTH

A. Statutory regulation to be waived:

WIA Section 129 and WIA Regulations 29 C.F.R. 664.510 prohibit the use of WIA Youth dollars to fund Individual Training Accounts for youth.

B. State or local statutory or regulatory barriers:

There are no state or local statutory or regulatory barriers to implementing the requested waiver.

C. Goals to be achieved by the waiver:

Approval of this waiver will permit WIA Youth service providers to employ the use of **Individual Training Accounts** (ITA's) for out-of-school youth. An ITA allows youth to receive individual training in accordance with systems established for WIA Adult and Dislocated Worker programs. The ITA will generally be applicable to older youth who lack the occupational skills to be successful in employment and whose individual service strategy reflects that skill training is appropriate and necessary to attain self-sufficiency. The ITA gives service providers options for youth which maximize efficiency and customer choice.

It is currently possible to serve older youth with ITA's by dual-enrolling in the WIA Adult program. However, dual-enrollment requires duplicative processes, increasing costs for staffing and record processing. Youth below 18 years of age have no option for ITA's since they are not eligible for the Adult program.

The goals sought by the waiver are to increase: 1) The number of youth entering into employment; 2) The percentage of youth receiving credentials; and, 3) The number of youth being retained in employment.

D. Description of individuals impacted by the waiver:

This waiver impacts the processes used by frontline staff to meet the skill training needs of youth customers and directly impact older WIA eligible youth allowing them to benefit from an ITA. These customers are then be able to directly receive the same types of services afforded adult and dislocated workers without unnecessary paperwork or tracking.

E. Opportunity for public comment, including the local workforce investment board, business and labor and the process to monitor the implementation of the waiver:

Consistent with the general waiver request, the state is adhering to publication requirements to ensure the broadest participation possible through this process. This waiver request was originally developed in response to the recommendations of Idaho's Workforce Development Council Youth subcommittee, working with a number of statewide youth providers to study and re-design WIA youth service

delivery. On September 10, 2008, the Council reviewed and approved the subcommittee's re-design recommendations, which included this waiver request and public comments received in response to the press release.

Recently, the state Workforce Development Council reviewed and approved this and other waivers on August 13, 2012. The meeting was announced and open to the public. Along with this comment opportunity, this State/Waiver Plan was posted at: <http://www.labor.idaho.gov> for public review from August 13 – September 4, 2012. The Idaho Department of Labor has and will continue to monitor the implementation and impact of the waiver and progress toward expected outcomes. State oversight and evaluation will make effective use of these means to identify obstacles and address them.

6) WAIVING THE MAXIMUM EMPLOYER REIMBURSEMENT RATE FOR ON-THE-JOB TRAINING PARTICIPATION

A. State or local statutory or regulatory barriers:

The state requests a waiver of the requirement of the 50 percent employer reimbursement limit for on-the-job training, as identified at WIA Section 101 (31)(E) and 20 CFR 663.710 Idaho has established on-the-job training reimbursement costs based on a sliding reimbursement scale for employers. Under this waiver, the following OJT employer reimbursement amounts are permitted:

- a. up to 90% for employers with 50 or fewer employees;*
- b. up to 75% for employers with 50 - 250 employees;*
- c. for employers with 251 or more employees, reimbursement would remain at the 50% statutory level*

The sliding scale is based on the following factors:

- Demand for the occupation/industry for which OJT is being delivered;
- Percentage of successful completers hired by employer or employers;
- Size of the potential employer's workforce; and
- Demographic characteristics of the trainees, emphasizing the training of individuals with multiple barriers to employment.

No reimbursement greater than 50 percent remains in effect longer than three months. The waiver applies to Program Year 2012.

B. State or local statutory or regulatory barriers:

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

C. Goals to be achieved by the waiver:

This waiver provides the state of Idaho a greater flexibility in responding to local labor markets, maximizing the state's response in utilizing WIA funds to meet the needs of businesses.

The goal of this waiver is to continue enhancing the attractiveness of OJT, focusing on the benefits of increased reimbursement which outweigh the upfront “government paperwork” and allowing businesses to train job seekers who may have challenging barriers.

With this increase in the employer OJT reimbursement rate for businesses, Idaho’s workforce system is able to more effectively market WIA funded on-the-job training to support job creation in targeted employment sectors. This increased reimbursement rate creates the necessary flexibility for employers to reasonably benefit from their participation, meeting their needs, resulting in an increase in business participation in on-the-job training programs and eventually improving the percentages of job seekers that receive training and training-related employment.

This waiver request has the following goals and programmatic outcomes:

- Allows the state to continue to improve services to customers who would benefit through an OJT;
- Improves the state’s capacity to market demand-driven services and build relationships with businesses;
- Increases employment opportunities for harder to serve individuals persons, such as the long term unemployed, older workers, and those with limited or sporadic job histories, by allowing businesses to receive higher reimbursement for training and hiring this population;
- Increases opportunities for the One-Stop system to enhance relationships with businesses;
- Increases percentages of employers using OJT as a means of hiring and retaining a skilled workforce;
- Increases number and percentages of workers trained and hired through OJT programs;
- Elevates skill proficiencies for workers that will result in increased worker viability;
- Increases responsiveness to labor market issues in the private sector; and
- Increases flexibility at the local level to offer businesses training solutions tailored to respond to the specific needs of the business.

D. Description of individuals impacted by the waiver:

Employers benefit from this waiver by offering OJTs at a reduced cost. It allows businesses to rapidly adapt to changes in technology and the marketplace, making them capable of expanding and remaining competitive with affordable OJT options uniquely designed to achieve their specific developmental goals. This waiver makes OJT a much more viable option, especially for small businesses looking to expand. The waiver targets all individuals (Dislocated Workers, Adults and Youth) who are eligible for services under WIA and may benefit from the availability of OJT options.

This waiver request was developed as a means of making WIA OJTs a more attractive employer option for obtaining employees trained to their specifications, also helping the employees' acquisition of transferrable skills to help them obtain employment later, should their current situation change. This effort also helps employers become more aware of the multitude of valuable resources offered by the state's One-Stop Centers.

E. Opportunity for public comment, including the local workforce investment board, business and labor and the process to monitor the implementation of the waiver:

Consistent with the general waiver request, the state is adhering to publication requirements to ensure the broadest participation possible through this process. The state's Workforce Development Council approved this waiver during its May 3, 2010 meeting. Prior to implementation, opportunities for public comment were solicited, reviewed and incorporated into the waiver as necessary.

Recently, the state Workforce Development Council reviewed and approved this and other waivers on August 13, 2012. The meeting was announced and open to the public. Along with this comment opportunity, this State/Waiver Plan was posted at <http://www.labor.idaho.gov> for public review from August 13 – September 4, 2012. The Idaho Department of Labor has and will continue to monitor the implementation and impact of the waiver and progress toward expected outcomes. State oversight and evaluation will make effective use of these means to identify obstacles and address them.

H. Trade Adjustment Assistance (TAA)

States must describe how TAA will coordinate with WIA/W-P to provide seamless services to participants and address how the state:

- Provides early intervention (e.g. rapid response) to worker groups on whose behalf a TAA petition has been filed. (WIA Sections 112(b)(17)(A)(ii), 134(a)(2)(A), 20 CFR 665.300-.340.)

WIA Dislocated Worker and Trade Adjustment programs are both administered through the One-Stop Centers. Since the inception of WIA, any means of cost sharing has been emphasized to increase the impact of limited funds. In Idaho, the state-level rapid response team includes staff from the dislocated worker, UI and TAA units. When notified of any closure or mass layoff, including those notifications received via Worker Adjustment and Retraining Notification (WARN), the team quickly broadens to include local delivery staff with expertise in provision of rapid response, dislocated worker, UI, TAA and Wagner-Peyser services. This state-local team communicates with the employer and employee representatives, determines if Trade related, assesses initial community impact, identifies and includes other partners for rapid response assistance and develops integrated service delivery schedules to meet the needs of each individual employer and the impacted workers. Informational packets, which include a survey to